

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

LEADENHALL CAPITAL PARTNERS LLP  
and LEADENHALL LIFE INSURANCE  
LINKED INVESTMENTS FUND PLC,

Plaintiffs,

vs.

JOSH WANDER, STEVEN PASKO,  
KENNETH KING, 777 PARTNERS LLC,  
600 PARTNERS LLC, SPLCSS III LLC,  
SIGNAL SML 4 LLC, INSURETY AGENCY  
SERVICES LLC, DORCHESTER  
RECEIVABLES II LLC, SUTTONPARK  
CAPITAL LLC, SIGNAL MEDICAL  
RECEIVABLES LLC, INSURETY CAPITAL  
LLC, SUTTONPARK SERVICING LLC,  
SIGNAL SERVICING LLC, INSURETY  
SERVICING LLC, and ADVANTAGE  
CAPITAL HOLDINGS LLC,

Defendants.

Civil Action No. 1:24-cv-03453

**DECLARATION OF PHIL KANE**

I, Phil Kane, declare as follows:

1. I am a Managing Partner at Leadenhall Capital Partners LLP (“Leadenhall”) and my title is Principal Trading, Senior Credit Officer. I have personal knowledge of the matters described in this declaration, and if called as a witness, I could and would testify competently to the matters discussed in this declaration.

2. On March 28, 2023, I attended a conference call with Josh Wander. Leadenhall representatives John Wells, Luca Albertini, and Peter Clark also participated on the call. Leadenhall recorded the call with Wander’s permission.

3. During the March 28, 2023 call, Wander stated as follows concerning collateral pledged as security under the LSA by a 777 Partners affiliate, SPLCSS III (the “SuttonPark Borrower”): “The issue today is that there are deals that are in Credigy’s borrowing base that are allocated to you guys [Leadenhall].” Credigy is another lender to 777 Partners under a separate credit facility.

4. Wander further stated on the call: “Deals that sat on our Volans facility—which is locked out basically now for 5 years—that were allocated to the [SuttonPark] facility. And those are the deals that that—you would consider double-pledged now, for they’re on both facilities.” The “Volans facility” refers to 777 Partners’ credit facility with Credigy.

5. On the March 28, 2023 call, during an exchange between Wander and Leadenhall Chairman John Wells, Wander acknowledged that the double-pledge of collateral constituted a breach of the agreements. In response to Wells stating, “There are so many breaches on these agreements now. We need to get all of this sorted out,” Wander stated: “Agreed, agreed, agreed.”

6. On April 2, 2024, I participated in a conference call with Wander. Wander stated that 777 Partners did not have the ability to make even a \$15 million payment to Leadenhall without funding from Advantage Capital Holdings LLC (“A-CAP”). Wander also stated that A-CAP controlled whether 777 Partners could sign an agreement on a repayment schedule to Leadenhall.

7. On April 3, 2023, I attended a conference call with Josh Wander. Leadenhall representatives John Wells, Luca Albertini, Peter Clark, Tom Spreutels, and Tom Foot also participated on the call. Leadenhall recorded the call with Wander’s permission.

8. During the April 3, 2023 call, Wander admitted that the SuttonPark borrower had borrowed in excess of collateral pledged under the LSA and therefore there was a “shortfall” in

collateral. During the call, Wells asked Wander: “What is the shortfall that has been pledged to someone else and not to us, and therefore what is our gross shortfall at the moment?” Wander answered: “I think it was around 100 million I think.”

9. During the April 3, 2023 call, Wells also asked Wander: “So over 30% of our collateral has been pledged to someone else?” Wander answered: “Yes, it appears that way.”

### **777 Re**

10. 777 Re Ltd. (“777 Re”) is a reinsurance company that is an affiliate of 777 Partners. 777 Re is based in Bermuda and is regulated by the Bermuda Monetary Authority. I have attended board meetings of 777 Re’s board in Leadenhall’s capacity as board observer.

11. As of year-end 2023, 777 Re had reinsurance agreements with Haymarket Insurance Company, Jazz Reinsurance Company, Southern Atlantic Re Inc., SILAC Insurance Company, and Singapore Life Limited. Haymarket Insurance Company, Jazz Reinsurance Company, and Southern Atlantic Re Inc. are affiliates of A-CAP.

12. Approximately 99% of 777 Re’s reported GAAP book value of invested assets at year-end 2023 was based on 777 Re’s reinsurance agreements—and the payments receivable from those reinsurance agreements—with Haymarket Insurance Company, Jazz Reinsurance Company, Southern Atlantic Re Inc., SILAC Insurance Company, and Singapore Life Limited. At year-end 2023, 777 Re had approximately \$3.936 billion in assets based on book value.

13. In February and March 2024, SILAC Insurance Company and Singapore Life Limited recaptured their insurance risks ceded to 777 Re. In February 2024, A-CAP recaptured, or announced that it would recapture by the second quarter of 2024, its reinsurance risks from 777 Re. These recaptures have caused a material reduction in the net book value of 777 Re’s assets.

14. The continued operation of the following 777 Partners businesses was highly dependent on the financial assets of 777 Re: 777 Partners' professional football business (777 Football Group), 777 Partners' aircraft leasing business (347 Green Leasing), 777 Partners' Canadian airline business (Flair Airlines), 777 Partners' asset management business (777 Asset Management), and 777 Partners' reinsurance business (777 Re).

15. As of March 2023, as reported by 777 Partners to Leadenhall, these businesses constituted the majority of 777 Partners' businesses by net value.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge and that this declaration was executed this 12<sup>th</sup> day of May, 2024.



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Phil Kane